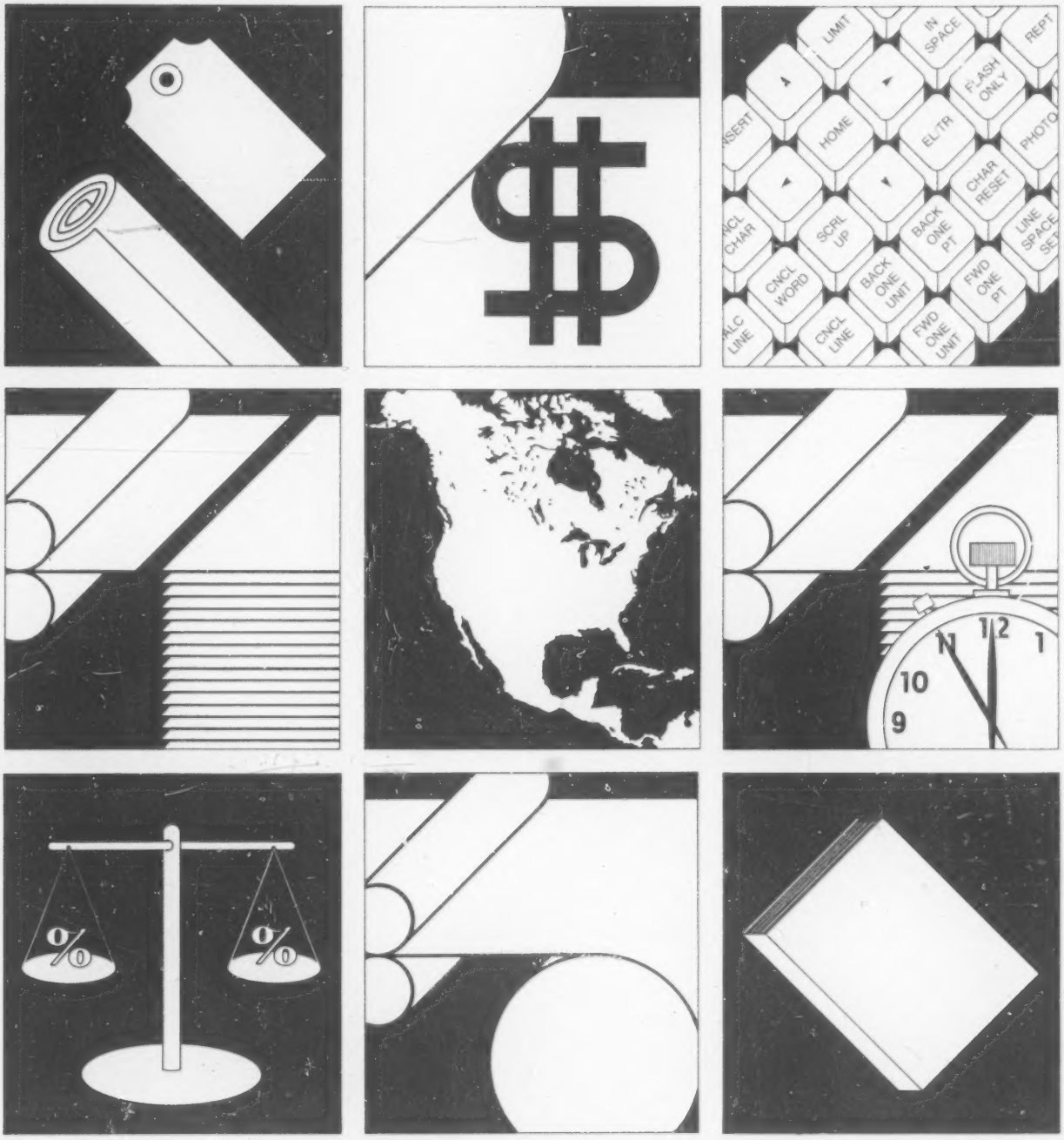
A 8740-124 9/85

Printing Industries of America, Inc.

1984 Financial Ratios



Volume II
All Printers by Sales Volume

ABOUT PIA . . .

Printing Industries of America, Inc., is a federation of national, regional, state, and city associations composed of over 11,000 graphic arts firms. PIA and its affiliated associations comprise the largest trade association in the world dedicated to serving the interests of the graphic arts community. Membership in one of PIA's Affiliated Associations automatically entitles an organization PIA membership.

PIA's Management Services Department is active in financial management offering numerous publications, conferences, and seminars:

- Best & Worst Markets for Printers in the 1980s - a unique marketing and financial planning aid, available by subscription
- Cost Accounting for the Job Order Printer
- Graphic Arts Estimating, Volume I
- Money Making Guide to Printing Estimating, revised edition
- Sales Compensation in the Printing Industry - 1983
- Simplified Cost System
- Tax Planning for Your Graphic Arts Business
- Understanding Value Added
- Value Added Financial Management: A Guide for Printers
- 1981-82 Production Compensation Survey
- 1983 Survey of Sales Management: Practices and Compensation
- 1984 Executive Compensation Report
- Costing, Estimating, and Pricing Systems Conferences
- Managing your Printing Business Conferences

For information on any of the above contact the Management Services Department:

Printing Industries of America, Inc.
Management Services Department
1730 North Lynn Street
Arlington, Virginia 22209
(703) 841-8194

In addition, PIA Financial Services offers the following publications and seminars:

- The Annual PIA Financial Ratio Study - A Multinational Financial Survey
- Money Manager - A Monthly newsletter
- Reprints of "Economics and Financial Management" articles from issues of PIA Management News
- Financial Management Seminars
- Seminars on financial applications for microcomputers

For further information, contact:

William A. Rose, II
Director of Financial Services
Printing Industries of America, Inc.
1730 North Lynn Street
Arlington, Virginia 22209
703/841-8145

61ST annual ratio study compiled from the operating statements and balance sheets submitted by representative members of the printing industry, and computed by RGS Enterprises, Inc., 1 Carlisle Drive, Arnold, Maryland 21012.

1984 FINANCIAL RATIOS

ALL PRINTERS BY SALES VOLUME

© 1984 by Printing Industries of America, Inc.

This material must not be reproduced in whole or in part in any form whatsoever without the express permission of

PRINTING INDUSTRIES OF AMERICA, INC.

Management Services Department
1730 North Lynn Street
Arlington, Virginia 22209

Edited and Prepared by H. R. Margolis Company,
Certified Public Accountants
New York and Philadelphia (Bala Cynwyd)

Printed in U.S.A.

PRINTING INDUSTRIES OF AMERICA, INC.

1730 North Lynn Street, Arlington, VA 22209 (703) 841-8100

Dear Colleague:

1984 is the 61st year in which Printing Industries of America, Inc. has collected and published detailed financial ratio information for members of the graphic arts community. The data presented each year provide a detailed and comprehensive picture of the financial status of the major segments of the U.S. and Canadian graphic arts industries. In addition, it allows individual firms to compare their annual performance with that of many other similar firms, including those which earn well above-average profits. Ratio results are published annually. They are summarized as follows:

- Management Guide to the PIA Ratios
- All Printers by Sales Volume
- All Printers by Product Specialty
- All Printers by Geographic Area
- Sheetfed Printers by Size and Geographic Area
- Web Offset Printers — Heatset
- Web Offset Printers — Non-Heatset
- Combination Offset — Sheetfed/Web
- Book Manufacturers' Ratios
- Large Printers' Ratios
- Typographers' Ratios
- Preparatory Specialists' Ratios
- Binders' Ratios
- Quick Printers

For a more complete composite picture of your company's performance relative to the U.S. and Canadian printing industry, several books could be used in your analysis, such as one of the overview volumes, e.g., *All Printers by Sales Volume*, and one that addresses your particular business segment or production process, e.g., *Book Manufacturers or Web Offset — Heatset*, respectively. Alternatively, such analysis is facilitated by participating in the Ratio Study each year and ordering an individual company computer printout which compares a participant's ratios to those of companies which are similar in size and sales volume, produce the same products, and use the same manufacturing process.

Please refer your questions on the PIA Ratio Study to your nearest local PIA affiliated association or to William A. Rose, II, Director of Financial Services, Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, VA 22209 (703) 841-8145.

Jim Olsen
Vice-President, Management Services
Printing Industries of America, Inc.

Dear Member of the Graphic Arts Community:

We are pleased to be a part of PIA's 1984 Financial Ratio Study. This year, a total of 901 firms representing the printing industry in the United States and Canada participated in these studies by responding to PIA's questionnaire on financial performance. Among these respondents, 184 firms may be considered "Profit Leaders," earning eight percent or greater pretax profits on sales. Such widespread participation has made the annual PIA Ratio Studies the most comprehensive financial reports available on the health of the graphic arts industry.

This book presents the financial status of printing firms according to sales volume. Ratios and statistics from responding firms are presented in six categories: sales to $250,000, sales from $250,000 to $500,000, sales from $500,000 to $1,500,000, sales from $1,500,000, sales from $5,000,000 to $10,000,000, and sales over $10,000,00. Readers can compare the data from their own firm's financial statements with similar data from other firms having the same sales volume in five areas: Operations based on Value Added and its Supporting Schedules, Operations based on Sales and its Supporting Schedules, Balance Sheet Ratios, Significant Facts, and Return on Investment.

We strongly believe in the importance of sharing this type of information among members of the graphic arts community and are proud to have played a role in compiling these studies.

H.R. Margolis Company
Certified Public Accountants
Bala Cynwyd, Pennsylvania

TABLE OF CONTENTS

	Page Number
FOREWORD	2
VALUE ADDED - WHAT IT MEANS TO YOU	4- 5
ALL PRINTERS BY SALES VOLUME	6-19
All Firms Reporting	
0 to $250,000	
$250,000 to $500,000	
$500,000 to $1,500,000	
$1,500,000 to $5,000,000	
$5,000,000 to $10,000,000	
Over $10,000,000	
Report on Operations - Value Added = 100%	6- 7
Supporting Schedules - Value Added = 100%	8- 9
Report on Operations - Sales = 100%	10-11
Supporting Schedules - Sales = 100%	10-13
Balance Sheet	14-15
Significant Facts	16-17
Return on Investment - Per $100 of Sales	18-19
ABSOLUTE DATA	20

HOW THE NUMBERS ARE COMPUTED

The PIA Ratios are computed by the method of relative or common size. With this method each company's dollars are converted into a percentage to the total. Then these percentages are added in total and within a given sales class. This is a very simple way of avoiding what is known as self-weighting when various magnitudes are involved. With this method each company is given equal weight regardless of their size.

The following example illustrates how this calculation process eliminates the problem of the ratios' giving inordinate weight to the results of very large firms.

Firm	Sales	Factory Payroll	% of Sales: Firm's Ratio Factory Payroll	% of Sales: PIA Ratio Factory Payroll
A	$ 200,000	$ 60,000	30.0%	
B	500,000	100,000	20.0	
C	8,000,000	975,000	12.2	
			62.2% divided by 3 = 20.7%	

VALUE ADDED DEFINED

Value added is simply your sales less material costs, which include paper, other chargeable materials and outside services. Value added is, therefore, that component of a sale attributable to your own manufacture. It is calculated as follows:

Sales		$100.00
Less Materials:		
Paper	$ 23.03	
Other chargeable materials	5.38	
Outside services	8.03	36.44
Value Added		$ 63.56

Other chargeable materials include ink, film, plates, etc., but not general supplies, such as repair or maintenance parts. Outside services are purchases of job-related services -- composition, offset preparation, printing, bindery, etc.

KNOWN BY OTHER TERMS

Value added is also known by such other terms as inside sales, conversion value, inside manufacturing value and real contribution to overhead and profit. Whatever the term, the concept of value added is of prime importance to the profitability of your operations.

CONCEPTUAL UNDERSTANDING OF VALUE ADDED

Once you observe that value added is the residual of sales less material costs, you realize that this value provided by your own manufacture is all you have available to pay your remaining expenses. These are:

- Factory labor
- Other factory expenses
- Administrative expenses
- Selling expenses
- Interest

Then, what is left is a profit. This is different from the basic "cost sheet concept" that we are accustomed to in the printing industry.

Since, generally, within a relevant range of operations, these expenses behave as fixed costs, the "overhead" represented by these expenses will remain practically constant. Therefore, you want to maximize your value added.

Let us illustrate this with the following example, in which we are increasing the value added derived from $1,000,000 of sales from $635,600 to $675,000 to see the effect on operating income. We will assume that "overhead" (factory labor; other factory, administrative, selling and interest expenses) will remain the same.

The assumption that these expenses will not increase is being taken with some license; actually they would increase, but very little. We are taking this liberty to prove the point that, within this relevant range, these expenses behave in a fixed manner. This helps to understand the effect of value added on profit.

	Original	After Increase in Value Added
SALES	$1,000,000	
Material Costs	364,400	
VALUE ADDED	635,600	$675,000
"Overhead"	591,000	591,000
Operating Income	$ 44,600	$ 84,000

STATEMENT OF OPERATIONS -- VALUE ADDED: THE BETTER STATEMENT

By eliminating the distortion that material costs introduce into the conventional operating statement, value added gives you a truer picture of your operations.

For example, if we were comparing the statement of operations of a short-run, sheet-fed company with that of a web-offset firm, and our comparison was related to percentages based on sales, we could have significant differences in ratios. The reason: the significant differences in material costs. It would appear that the web-offset operation had a lower factory labor cost because a substantial amount of the sale was materials. But, in truth, the factory labor cost could be more or less than its counterpart sheet-fed operation as it relates to the value added produced by this labor.

Almost every company's product mix is different and, by using statements of operations based on value added, this product mix difference is eliminated. In conclusion, the Statement of Operations -- Value Added is a better statement with which to evaluate your operations.

REPORT ON OPERATIONS - VALUE ADDED = 100%

	ALL FIRMS REPORTING		SALES TO $250,000		SALES FROM $250,000-$500,000	
	ALL FIRMS	PROFIT LEADERS*	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
FACTORY PAYROLL	42.60	38.32	42.25	42.15	40.16	34.52
FACTORY EXPENSES	20.36	18.42	26.39	15.19	22.51	25.04
TOTAL FACTORY COST OF PRODUCT	62.96	56.74	68.64	57.34	62.67	59.56
GROSS PROFIT	37.04	43.26	31.36	42.66	37.33	40.44
ADMINISTRATIVE AND SELLING EXPENSES						
Administrative expenses	15.91	13.74	19.31	15.06	22.59	21.86
Selling expenses	12.98	10.68	8.82	6.03	9.86	6.89
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	28.89	24.42	28.13	21.09	32.45	28.75
INCOME BEFORE INTEREST EXPENSE	8.15	18.84	3.23	21.57	4.88	11.69
Interest expense	3.20	2.08	3.43	1.76	3.41	1.70
OPERATING INCOME (LOSS)	4.95	16.76	(0.20)	19.81	1.47	9.99
Other income	1.13	2.01	0.23	1.58	0.82	5.06
INCOME BEFORE INCOME TAXES	6.08	18.77	0.03	21.39	2.29	15.05

* See Page 10 for the definition of "Profit Leaders."

SALES FROM $500,000-$1,500,000		SALES FROM $1,500,000-$5,000,000		SALES FROM $5,000,000-$10,000,000		SALES OVER $10,000,000	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
X	X	X	X	X	X	X	X
X	X	X	X	X	X	X	X
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
40.59	36.12	42.55	36.52	43.60	38.73	45.80	42.25
20.20	18.04	19.46	17.63	20.59	17.87	20.22	19.12
60.79	54.16	62.01	54.15	64.19	56.60	66.02	61.37
39.21	45.84	37.99	45.85	35.81	43.40	33.98	38.63
19.27	17.33	15.89	14.31	12.90	12.52	10.33	9.27
13.15	10.39	14.05	11.26	14.00	12.48	11.68	10.11
32.42	27.72	29.94	25.57	26.90	25.00	22.01	19.38
6.79	18.12	8.05	20.28	8.91	18.40	11.97	19.25
3.10	2.66	3.22	2.09	3.64	1.62	2.72	1.94
3.69	15.46	4.83	18.19	5.27	16.78	9.25	17.31
0.96	1.51	1.27	2.47	1.60	2.03	0.96	1.45
4.65	16.97	6.10	20.66	6.87	18.81	10.21	18.76

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	ALL FIRMS REPORTING		SALES TO $250,000		SALES FROM $250,000-$500,000	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL						
Salaries - executive	3.20%	2.86%	6.84%	6.81%	3.82%	1.01%
Direct wages	29.38	26.26	28.77	33.53	30.25	29.26
General factory salaries and wages	2.70	2.58	1.61	0.00	0.76	0.54
Packing, shipping and delivery wages	1.29	1.12	0.29	0.00	0.73	0.06
Payroll taxes	2.68	2.25	2.98	0.55	2.63	2.40
Employee benefits	3.35	3.25	1.76	1.26	1.97	1.25
TOTAL FACTORY PAYROLL	42.60	38.32	42.25	42.15	40.16	34.52
FACTORY EXPENSES						
Fixed Expenses						
Depreciation - real estate	0.45	0.51	0.16	0.22	0.21	0.13
Depreciation - other	5.17	4.93	7.37	6.10	5.61	6.26
Taxes - real estate	0.34	0.31	0.15	0.05	0.30	0.06
Taxes - other	0.30	0.21	0.26	0.00	0.20	0.05
Insurance	0.80	0.68	1.39	0.88	1.47	0.99
Building rent	2.39	1.73	5.98	2.56	4.60	4.84
Utilities - heat, light, etc.	1.94	1.78	1.94	1.25	1.92	1.62
Equipment rental	0.88	0.69	1.94	0.67	1.36	3.08
Total Fixed Expenses	12.27	10.84	19.19	11.73	15.67	17.03
Other Expenses						
Factory supplies and expense	3.06	2.97	1.31	0.00	2.21	3.44
Packing, shipping and delivery expense	1.67	1.67	1.93	0.28	1.40	1.56
Repairs and maintenance	2.21	2.06	2.33	1.54	2.35	2.94
Other factory expenses	1.15	0.88	1.63	1.64	0.88	0.07
Total Other Expenses	8.09	7.58	7.20	3.46	6.84	8.01
TOTAL FACTORY EXPENSES	20.36	18.42	26.39	15.19	22.51	25.04
ADMINISTRATIVE EXPENSES						
Salaries - executive	4.78	4.35	5.65	6.08	8.36	6.14
Salaries - office	3.84	3.21	4.80	2.92	5.20	6.84
Payroll taxes	0.57	0.45	0.69	0.06	1.03	0.63
Employee benefits	0.86	0.91	0.60	0.20	0.77	0.37
Bad debts	0.76	0.54	1.04	0.34	0.78	1.00
Office supplies and expenses	0.79	0.68	1.77	2.46	1.21	0.98
Professional fees	0.94	0.85	0.86	0.42	1.32	1.88
Taxes - business	0.28	0.22	0.23	0.57	0.55	0.23
Telephone	0.82	0.67	1.63	0.97	1.26	1.34
Other administrative expenses	2.27	1.86	2.04	1.04	2.11	2.45
TOTAL ADMINISTRATIVE EXPENSES	15.91	13.74	19.31	15.06	22.59	21.86
SELLING EXPENSES						
Salaries - executive	2.10	1.85	3.18	0.59	2.33	0.99
Salaries and commissions - salesmen	5.80	4.51	1.71	2.98	2.59	1.75
Salaries - sales office clerical	0.97	0.89	0.51	0.73	0.56	0.00
Payroll taxes	0.47	0.32	0.33	0.00	0.34	0.05
Employee benefits	0.52	0.47	0.15	0.02	0.28	0.09
Advertising	0.67	0.59	1.18	0.80	1.28	1.50
Travel and entertainment	1.34	1.05	1.38	0.84	1.45	1.46
Other selling expenses	1.11	1.00	0.38	0.07	1.03	1.05
TOTAL SELLING EXPENSES	12.98	10.68	8.82	6.03	9.86	6.89

SALES FROM $500,000-$1,500,000		SALES FROM $1,500,000-$5,000,000		SALES FROM $5,000,000-$10,000,000		SALES OVER $10,000,000	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
3.29%	3.65%	3.02%	2.68%	2.82%	2.27%	2.84%	2.74%
29.99	26.28	29.33	25.37	28.86	25.66	28.87	26.49
1.22	1.49	2.90	1.93	3.56	3.23	4.63	4.37
0.98	0.79	1.50	1.17	1.49	1.51	1.52	1.36
2.65	1.98	2.66	2.23	2.66	2.34	2.76	2.56
2.46	1.93	3.14	3.14	4.21	3.72	5.18	4.73
40.59	36.12	42.55	36.52	43.60	38.73	45.80	42.25
0.44	0.61	0.47	0.56	0.50	0.44	0.52	0.52
5.21	5.01	4.88	4.89	5.36	4.78	4.91	4.63
0.25	0.27	0.36	0.24	0.42	0.37	0.41	0.45
0.35	0.21	0.27	0.24	0.35	0.24	0.32	0.22
1.09	0.85	0.77	0.87	0.51	0.52	0.34	0.36
3.29	2.84	2.19	1.58	1.30	1.11	0.90	0.75
1.65	1.45	1.77	1.41	2.07	1.85	2.58	2.50
0.96	1.01	0.85	0.52	0.76	0.27	0.56	0.46
13.24	12.25	11.56	10.31	11.27	9.58	10.54	9.89
2.35	1.70	3.16	2.77	3.52	3.54	4.14	4.09
1.77	1.63	1.63	1.71	1.65	1.85	1.69	1.67
1.88	1.68	2.08	1.84	2.51	2.18	2.57	2.43
0.96	0.78	1.03	1.00	1.64	0.72	1.28	1.04
6.96	5.79	7.90	7.32	9.32	8.29	9.68	9.23
20.20	18.04	19.46	17.63	20.59	17.87	20.22	19.12
6.38	6.02	4.61	4.74	3.58	4.09	2.15	2.22
4.84	4.02	3.75	3.13	3.03	2.94	2.59	2.14
0.73	0.62	0.57	0.56	0.39	0.37	0.28	0.24
0.91	1.05	0.97	1.15	0.80	0.81	0.72	0.73
0.86	0.76	0.72	0.33	0.70	0.59	0.74	0.48
0.85	0.83	0.83	0.63	0.52	0.51	0.49	0.50
1.08	1.08	0.94	0.82	0.94	0.75	0.62	0.59
0.33	0.21	0.29	0.24	0.18	0.20	0.15	0.20
0.98	0.87	0.76	0.68	0.66	0.57	0.50	0.42
2.31	1.87	2.45	2.03	2.10	1.69	2.09	1.75
19.27	17.33	15.89	14.31	12.90	12.52	10.33	9.27
2.62	2.76	2.04	1.55	2.05	2.35	1.25	1.26
5.57	3.83	6.80	4.97	6.77	5.80	5.27	4.37
0.71	0.41	0.99	0.93	1.18	1.12	1.39	1.28
0.52	0.29	0.52	0.42	0.48	0.35	0.35	0.28
0.47	0.31	0.55	0.51	0.65	0.71	0.59	0.52
0.83	0.74	0.63	0.81	0.49	0.34	0.35	0.21
1.36	1.24	1.44	1.20	1.34	0.88	1.05	0.78
1.07	0.81	1.08	0.87	1.04	0.93	1.43	1.41
13.15	10.39	14.05	11.26	14.00	12.48	11.68	10.11

REPORT ON OPERATIONS - SALES = 100%

	ALL FIRMS REPORTING		SALES TO $250,000		SALES FROM $250,000-$500,000	
	ALL FIRMS	PROFIT LEADERS*	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT						
MATERIALS						
Paper	23.17	23.26	22.47	27.04	18.68	15.47
Other chargeable materials	5.46	5.54	4.93	3.74	5.00	4.27
Outside services	8.29	6.79	6.24	2.48	9.01	10.08
TOTAL MATERIALS	36.92	35.59	33.64	33.26	32.69	29.82
FACTORY PAYROLL	26.88	24.81	27.73	28.15	27.04	24.38
FACTORY EXPENSES	12.78	11.81	17.36	10.28	15.14	17.41
TOTAL FACTORY COST OF PRODUCT	76.58	72.21	78.73	71.69	74.87	71.61
GROSS PROFIT	23.42	27.79	21.27	28.31	25.13	28.39
ADMINISTRATIVE AND SELLING EXPENSES						
Administrative expenses	10.11	8.92	12.95	10.08	15.20	15.56
Selling expenses	8.20	6.92	5.95	3.88	6.54	4.84
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	18.31	15.84	18.90	13.96	21.74	20.40
INCOME BEFORE INTEREST EXPENSE	5.11	11.95	2.37	14.35	3.39	7.99
Interest expense	1.99	1.35	2.30	1.21	2.26	1.20
OPERATING INCOME	3.12	10.60	0.07	13.14	1.13	6.79
Other income	0.70	1.30	0.13	0.99	0.58	3.68
INCOME BEFORE INCOME TAXES	3.82	11.90	0.20	14.13	1.71	10.47

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS						
Ink	1.79%	2.05%	0.73%		0.84%	0.28%
Film	1.13	1.00	1.87		0.95	0.97
Plates	1.16	1.09	1.20		1.24	0.96
Other chargeable materials	1.38	1.40	1.13		1.97	2.06
TOTAL OTHER CHARGEABLE MATERIALS	5.46	5.54	4.93	***	5.00	4.27
OUTSIDE SERVICES						
Composition	0.85	0.85	1.01		1.06	1.77
Offset preparation	1.51	1.24	0.42		0.91	3.12
Printing	2.08	1.81	3.27		4.22	2.99
Binding	2.00	1.25	0.77		1.56	0.26
Other outside services	1.85	1.64	0.77		1.26	1.94
TOTAL OUTSIDE SERVICES	8.29	6.79	6.24	***	9.01	10.08

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.
*** Information not submitted.

SALES FROM $500,000-$1,500,000		SALES FROM $1,500,000-$5,000,000		SALES FROM $5,000,000-$10,000,000		SALES OVER $10,000,000	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
19.75	20.05	23.06	24.32	26.65	26.09	27.16	23.99
4.87	4.23	4.98	4.37	5.87	6.66	7.30	7.55
8.99	8.65	8.92	6.67	8.28	5.90	5.97	5.70
33.61	32.93	36.96	35.36	40.80	38.65	40.43	37.24
26.96	24.27	26.94	23.81	25.82	24.04	27.35	26.70
13.41	12.11	12.22	11.29	12.04	10.88	11.89	11.93
73.98	69.31	76.12	70.46	78.66	73.57	79.67	75.87
26.02	30.69	23.88	29.54	21.34	26.43	20.33	24.13
12.77	11.53	9.96	9.30	7.61	7.62	6.19	5.87
8.71	7.02	8.89	7.37	8.34	7.74	7.03	6.39
21.48	18.55	18.85	16.67	15.95	15.36	13.22	12.26
4.54	12.14	5.03	12.87	5.39	11.07	7.11	11.87
2.05	1.85	2.01	1.35	2.08	0.98	1.56	1.17
2.49	10.29	3.02	11.52	3.31	10.09	5.55	10.70
0.61	0.99	0.79	1.56	0.92	1.32	0.55	0.89
3.10	11.28	3.81	13.08	4.23	11.41	6.10	11.59
1.13%	0.94%	1.42%	1.29%	1.95%	2.23%	3.79%	3.95%
1.24	0.94	1.12	0.92	1.25	1.48	0.96	0.91
1.20	1.16	1.18	1.02	1.20	1.37	1.05	1.00
1.30	1.19	1.26	1.14	1.47	1.58	1.50	1.69
4.87	4.23	4.98	4.37	5.87	6.66	7.30	7.55
1.08	1.63	0.97	0.82	0.64	0.45	0.34	0.20
1.48	1.40	1.79	1.20	1.76	1.28	1.20	0.93
2.67	2.54	1.88	1.76	1.25	1.34	1.14	1.37
1.60	1.26	2.13	1.30	2.89	1.98	1.88	1.19
2.16	1.82	2.15	1.59	1.74	0.85	1.41	2.01
8.99	8.65	8.92	6.67	8.28	5.90	5.97	5.70

SUPPORTING SCHEDULES - SALES = 100%

	ALL FIRMS REPORTING		SALES TO $250,000		SALES FROM $250,000-$500,000	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL						
Salaries - executive	2.03%	1.88%	4.50%	4.40%	2.56%	0.73%
Direct wages	18.58	18.97	18.82	22.50	20.42	20.67
General factory salaries and wages	1.67	1.68	1.04	0.00	0.46	0.38
Packing, shipping and delivery wages	0.80	0.73	0.18	0.00	0.49	0.04
Payroll taxes	1.70	1.46	1.96	0.38	1.79	1.69
Employee benefits	2.10	2.09	1.23	0.87	1.32	0.87
TOTAL FACTORY PAYROLL	26.88	24.81	27.73	28.15	27.04	24.38
FACTORY EXPENSES						
Fixed Expenses						
Depreciation - real estate	0.27	0.33	0.11	0.15	0.14	0.09
Depreciation - other	3.25	3.14	4.86	4.02	3.78	4.41
Taxes - real estate	0.21	0.20	0.10	0.04	0.21	0.04
Taxes - other	0.19	0.14	0.17	0.00	0.14	0.03
Insurance	0.51	0.44	0.94	0.61	1.00	0.66
Building rent	1.53	1.13	3.89	1.80	3.03	3.23
Utilities - heat, light, etc.	1.21	1.14	1.26	0.81	1.29	1.15
Equipment rental	0.56	0.46	1.30	0.47	0.92	2.16
Total Fixed Expenses	7.73	6.98	12.63	7.90	10.51	11.77
Other Expenses						
Factory supplies and expense	1.92	1.90	0.88	0.00	1.49	2.48
Packing, shipping and delivery expense	1.04	1.06	1.26	0.19	0.94	1.04
Repairs and maintenance	1.37	1.31	1.56	1.04	1.57	2.07
Other factory expenses	0.72	0.56	1.03	1.15	0.63	0.05
Total Other Expenses	5.05	4.83	4.73	2.38	4.63	5.64
TOTAL FACTORY EXPENSES	12.78	11.81	17.36	10.28	15.14	17.41
ADMINISTRATIVE EXPENSES						
Salaries - executive	3.05	2.83	3.84	4.15	5.68	4.41
Salaries - office	2.46	2.09	3.25	2.00	3.53	4.97
Payroll taxes	0.37	0.29	0.47	0.04	0.70	0.46
Employee benefits	0.54	0.58	0.40	0.14	0.51	0.28
Bad debts	0.47	0.35	0.68	0.23	0.51	0.74
Office supplies and expenses	0.50	0.44	1.16	1.51	0.80	0.68
Professional fees	0.59	0.55	0.57	0.30	0.87	1.28
Taxes - business	0.18	0.14	0.16	0.38	0.37	0.16
Telephone	0.52	0.44	1.07	0.62	0.83	0.92
Other administrative expenses	1.43	1.21	1.35	0.71	1.40	1.66
TOTAL ADMINISTRATIVE EXPENSES	10.11	8.92	12.95	10.08	15.20	15.56
SELLING EXPENSES						
Salaries - executive	1.33	1.20	2.21	0.42	1.52	0.72
Salaries and commissions - salesmen	3.64	2.89	1.13	1.77	1.72	1.26
Salaries - sales office clerical	0.62	0.58	0.33	0.52	0.40	0.00
Payroll taxes	0.30	0.21	0.23	0.00	0.23	0.04
Employee benefits	0.33	0.31	0.11	0.01	0.18	0.06
Advertising	0.44	0.39	0.77	0.55	0.87	1.07
Travel and entertainment	0.85	0.69	0.91	0.56	0.95	0.97
Other selling expenses	0.69	0.65	0.26	0.05	0.67	0.72
TOTAL SELLING EXPENSES	8.20	6.92	5.95	3.88	6.54	4.84

SALES FROM $500,000-$1,500,000		SALES FROM $1,500,000-$5,000,000		SALES FROM $5,000,000-$10,000,000		SALES OVER $10,000,000	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
2.19%	2.45%	1.92%	1.79%	1.66%	1.42%	1.70%	1.76%
19.90	17.72	18.54	16.45	17.10	15.77	17.25	16.63
0.82	0.98	1.8[illegible]	1.30	2.10	2.06	2.74	2.81
0.65	0.52	0.95	0.78	0.88	0.98	0.89	0.86
1.76	1.32	1.69	1.45	1.58	1.47	1.66	1.64
1.64	1.28	1.99	2.04	2.50	2.34	3.11	3.00
26.96	24.27	26.94	23.81	25.82	24.04	27.35	26.70
0.29	0.42	0.29	0.34	0.28	0.27	0.31	0.33
3.46	3.35	3.07	3.15	3.14	2.89	2.85	2.83
0.17	0.20	0.23	0.16	0.24	0.22	0.23	0.28
0.24	0.15	0.17	0.15	0.22	0.16	0.19	0.14
0.72	0.57	0.48	0.55	0.30	0.30	0.20	0.23
2.17	1.89	1.38	1.03	0.76	0.69	0.53	0.47
1.09	0.96	1.11	0.90	1.22	1.15	1.52	1.56
0.63	0.70	0.54	0.33	0.43	0.18	0.34	0.31
8.77	8.24	7.27	6.61	6.59	5.86	6.17	6.15
1.59	1.13	1.98	1.79	2.07	2.16	2.47	2.55
1.17	1.10	1.02	1.08	0.96	1.12	0.97	1.05
1.24	1.13	1.30	1.17	1.45	1.32	1.51	1.53
0.64	0.51	0.65	0.64	0.97	0.42	0.77	0.65
4.64	3.87	4.95	4.68	5.45	5.02	5.72	5.78
13.41	12.11	12.22	11.29	12.04	10.88	11.89	11.93
4.22	4.01	2.90	3.05	2.10	2.52	1.29	1.38
3.22	2.65	2.37	2.06	1.80	1.77	1.57	1.36
0.49	0.42	0.36	0.37	0.23	0.22	0.17	0.15
0.60	0.67	0.61	0.76	0.47	0.50	0.43	0.47
0.57	0.51	0.44	0.21	0.41	0.36	0.42	0.30
0.56	0.56	0.52	0.41	0.30	0.31	0.29	0.31
0.71	0.71	0.58	0.52	0.55	0.45	0.37	0.39
0.22	0.13	0.18	0.15	0.11	0.13	0.09	0.13
0.65	0.60	0.47	0.43	0.39	0.35	0.30	0.27
1.53	1.27	1.53	1.34	1.25	1.01	1.26	1.11
12.77	11.53	9.96	9.30	7.61	7.62	6.19	5.87
1.72	1.82	1.29	0.99	1.23	1.48	0.75	0.82
3.71	2.61	4.30	3.27	4.01	3.55	3.11	2.67
0.48	0.27	0.63	0.61	0.71	0.71	0.86	0.83
0.34	0.20	0.33	0.27	0.29	0.22	0.21	0.18
0.31	0.21	0.35	0.33	0.39	0.46	0.37	0.34
0.55	0.50	0.41	0.54	0.30	0.21	0.22	0.14
0.90	0.86	0.90	0.79	0.79	0.54	0.63	0.49
0.70	0.55	0.68	0.57	0.62	0.57	0.88	0.92
8.71	7.02	8.89	7.37	8.34	7.74	7.03	6.39

BALANCE SHEET

	ALL FIRMS REPORTING		SALES TO $250,000		SALES FROM $250,000-$500,000	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
ASSETS						
CURRENT ASSETS						
Cash	6.62%	10.84%	6.52%	17.35%	7.30%	6.96%
Receivables	32.34	29.66	28.60	29.98	31.62	31.46
Inventories	13.21	11.34	12.44	7.75	9.71	6.44
Other current assets	4.11	6.50	2.13	0.99	4.35	5.75
TOTAL CURRENT ASSETS	56.28	58.34	49.69	56.07	52.98	50.61
FIXED ASSETS						
Real estate	9.97	10.94	3.86	5.20	7.94	11.34
Less: Accumulated depreciation	3.08	3.12	0.79	1.28	2.44	4.16
	6.89	7.82	3.07	3.92	5.50	7.18
Machinery and equipment	65.87	56.43	77.64	51.14	82.46	61.37
Less: Accumulated depreciation	36.59	29.88	43.71	24.49	48.04	25.28
	29.28	26.55	33.93	26.65	34.42	36.09
Other fixed assets	7.46	6.18	14.88	10.87	8.00	11.28
Less: Accumulated depreciation	3.95	3.04	5.75	1.40	4.62	7.51
	3.51	3.14	9.13	9.47	3.38	3.77
NET FIXED ASSETS	39.68	37.51	46.13	40.04	43.30	47.04
OTHER ASSETS	4.04	4.15	4.18	3.89	3.72	2.35
TOTAL ASSETS	100.00	100.00	100.00	100.00	100.00	100.00
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Notes payable	8.84	4.32	9.34	1.39	10.38	13.74
Accounts payable	14.60	11.10	17.87	19.68	15.54	14.40
Other current liabilities	9.43	9.70	6.89	2.40	9.42	4.00
TOTAL CURRENT LIABILITIES	32.87	25.12	34.10	23.47	35.34	32.14
LONG-TERM LIABILITIES	27.81	19.63	42.92	15.83	35.90	27.25
TOTAL LIABILITIES	60.68	44.75	77.02	39.30	71.24	59.39
SHAREHOLDERS' AND PROPRIETORS' EQUITY	39.32	55.25	22.98	60.70	28.76	40.61
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	1.71	2.32	1.46	2.39	1.50	1.57
QUICK RATIO	1.31	1.87	1.09	2.06	1.22	1.37
TOTAL LIABILITIES TO EQUITY	1.54	0.81	3.35	0.65	2.48	1.46
LONG-TERM LIABILITIES TO EQUITY	0.71	0.36	1.87	0.26	1.25	0.67
ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.56	0.53	0.56	0.48	0.58	0.41

SALES FROM $500,000-$1,500,000		SALES FROM $1,500,000-$5,000,000		SALES FROM $5,000,000-$10,000,000		SALES OVER $10,000,000	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
7.70%	12.01%	7.46%	13.06%	6.02%	11.21%	3.53%	7.27%
34.27	33.39	32.95	28.35	31.47	28.17	30.19	28.44
11.67	8.76	13.08	11.36	14.53	14.80	16.15	12.31
4.07	4.90	4.22	8.92	4.26	5.63	4.07	6.57
57.71	59.06	57.71	61.69	56.28	59.81	53.94	54.59
7.87	9.23	9.18	9.75	12.30	13.26	14.53	12.52
2.52	2.78	3.00	2.94	3.58	3.64	4.26	3.22
5.35	6.45	6.18	6.81	8.72	9.62	10.27	9.30
71.21	60.61	64.12	56.29	59.68	52.74	58.15	55.03
42.05	32.62	35.98	33.03	31.06	29.05	28.86	25.88
29.16	27.99	28.14	23.26	28.62	23.69	29.29	29.15
9.02	6.55	8.30	7.29	5.31	6.53	3.82	3.15
4.73	3.17	4.60	3.57	2.71	3.58	1.94	1.37
4.29	3.38	3.70	3.72	2.60	2.95	1.88	1.78
38.80	37.82	38.02	33.79	39.94	36.26	41.44	40.23
3.49	3.12	4.27	4.52	3.78	3.93	4.62	5.18
100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
8.98	5.28	9.15	4.35	8.98	2.68	6.98	3.21
15.71	11.47	14.34	11.31	14.02	10.77	13.17	9.51
8.02	7.86	10.19	11.18	9.58	10.89	9.98	10.51
32.71	24.61	33.68	26.84	32.58	24.34	30.13	23.23
27.76	22.42	26.86	15.66	26.83	19.12	24.29	20.74
60.47	47.03	60.54	42.50	59.41	43.46	54.42	43.97
39.53	52.97	39.46	57.50	40.59	56.54	45.58	56.03
100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
1.76	2.40	1.71	2.30	1.73	2.46	1.79	2.35
1.41	2.04	1.33	1.88	1.28	1.85	1.25	1.82
1.53	0.89	1.53	0.74	1.46	0.77	1.19	0.78
0.70	0.42	0.68	0.27	0.66	0.34	0.53	0.37
0.59	0.54	0.56	0.59	0.52	0.55	0.50	0.47

	ALL FIRMS REPORTING		SALES TO $250,000		SALES FROM $250,000-$500,000	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
INVESTMENT						
Average assets per employee - All employees	$ 35,122	$ 41,964	$ 25,921	$ 26,755	$ 19,266	$ 20,997
Average assets per factory employee (Excluding Executives)	50,418	57,898	44,486	44,508	31,570	30,634
Average net worth per employee - All employees	14,221	23,054	9,656	16,794	5,043	7,549
Average gross plant investment per factory employee (Excluding Executives)	40,211	41,468	40,255	30,537	30,363	24,730
Net worth percentage of fixed assets	138.90%	239.29%	70.43%	240.61%	155.48%	646.08%
EMPLOYEES						
Percent factory - All employees	74.57%	77.56%	72.16%	77.96%	68.73%	70.59%
Percent administrative - All employees	14.10	12.72	19.53	14.42	23.02	25.97
Percent sales - All employees	11.33	9.72	8.31	7.62	8.25	3.44
SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES						
Sales per employee - All employees	$ 66,892	$ 74,152	$ 41,420	$ 43,403	$ 45,749	$ 48,949
Sales per factory employee	91,098	96,788	60,031	55,417	68,989	69,646
Sales less material per factory employee	55,902	60,302	40,151	37,146	45,973	48,365
Sales per administrative employee	631,781	803,562	231,283	497,058	208,279	180,579
EXCLUDING EXECUTIVES						
Sales per employee - All employees	75,174	82,727	60,323	55,199	58,119	54,986
Sales per factory employee	96,976	102,850	77,570	65,064	75,168	70,842
Sales less material per factory employee	59,562	64,107	51,876	43,366	50,126	49,229
SALES PER SALESMAN	715,756	1,123,038	147,764	144,000	124,379	0
SALES TO CURRENT ASSETS	416%	377%	555%	388%	682%	889%
PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES						
Total payroll percentage of sales	39.52%	35.80%	39.70%	37.21%	41.49%	36.57%
Factory payroll percentage of gross plant investment	80.69	78.33	80.18	95.13	90.75	138.92
Payroll per employee - All employees	$ 25,294	$ 25,172	$ 15,649	$ 15,896	$ 18,329	$ 16,416
Payroll per factory employee	23,122	22,634	15,391	15,539	17,432	16,372
Payroll per administrative employee	29,943	33,917	13,008	18,945	18,588	14,218
Payroll per sales employee	35,930	38,729	10,259	7,537	14,647	9,274
PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES						
Payroll per employee - All employees	$ 19,758	$ 19,385	$ 12,478	$ 14,596	$ 14,378	$ 13,890
Payroll per factory employee	19,116	18,683	12,775	14,617	14,897	14,550
Payroll per administrative employee	15,614	15,854	7,923	6,865	10,093	9,247
Payroll per sales employee	27,782	28,229	4,899	6,763	7,422	4,089
EXECUTIVE PAYROLL						
Payroll per executive - All executives	44,652	51,018	17,399	18,920	23,423	20,615
Payroll per factory executive	28,800	31,687	9,683	6,281	12,817	8,538
Payroll per administrative executive	51,721	62,123	13,276	18,706	22,129	19,091
Payroll per sales executive	38,856	47,323	7,810	5,067	9,358	4,632
RECEIVABLES						
Collection period	59.1	58.5	52.2	62.0	47.1	50.3
PROFIT						
Gross profit percentage of sales	23.42%	27.79%	21.27%	28.31%	25.13%	28.39%
Average gross profit per factory employee	$ 22,865	$ 28,209	$ 17,447	$ 18,472	$ 19,725	$ 20,366
Income before taxes percentage of sales	3.82%	11.90%	0.20%	14.13%	1.71%	10.47%
Average income before taxes per employee	$ 2,906	$ 8,858	$ 343	$ 6,617	$ 1,034	$ 5,266

SALES FROM $500,000-$1,500,000		SALES FROM $1,500,000-$5,000,000		SALES FROM $5,000,000-$10,000,000		SALES OVER $10,000,000	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
$ 26,154	$ 31,099	$ 33,750	$ 39,547	$ 45,021	$ 44,593	$ 50,495	$ 57,262
42,482	52,090	48,772	54,196	61,406	59,854	64,738	71,435
10,963	17,049	13,556	23,708	17,761	24,224	22,068	30,073
35,178	35,543	39,372	40,209	46,428	42,764	47,863	50,974
152.10%	271.48%	142.76%	244.09%	123.17%	176.50%	131.62%	180.16%
69.24%	71.43%	74.17%	76.87%	78.16%	78.13%	82.63%	84.51%
18.12	17.21	13.36	12.65	10.51	11.34	8.36	7.36
12.64	11.36	12.47	10.48	11.33	10.53	9.01	8.13
$ 54,545	$ 59,137	$ 66,570	$ 72,388	$ 78,840	$ 79,337	$ 88,174	$ 92,712
82,107	88,340	91,620	94,494	102,200	102,401	108,188	110,977
53,622	57,364	56,271	59,804	59,806	61,861	62,204	66,363
342,474	398,904	554,355	664,405	828,082	762,309	1,292,620	1,474,304
64,562	74,574	73,775	79,832	85,538	85,374	94,042	98,299
88,714	99,446	96,582	99,142	107,227	106,394	113,582	116,012
57,826	64,271	59,370	62,880	62,770	64,292	65,284	69,434
249,331	310,849	443,502	409,043	875,301	838,018	1,738,170	2,298,765
431%	395%	385%	346%	351%	321%	374%	346%
42.05%	37.12%	40.07%	35.51%	37.07%	35.46%	36.12%	34.90%
99.07	79.87	77.30	80.41	67.98	64.59	70.13	72.62
$ 22,290	$ 21,250	$ 25,723	$ 24,232	$ 28,852	$ 27,615	$ 30,242	$ 30,240
20,802	20,153	23,324	21,114	25,550	23,782	27,727	27,330
25,980	26,731	31,332	35,235	34,961	35,553	36,151	42,414
26,602	22,688	36,161	36,144	48,112	50,787	51,737	55,015
$ 17,555	$ 17,155	$ 20,079	$ 17,991	$ 22,314	$ 20,808	$ 23,590	$ 23,203
17,635	17,759	19,341	17,061	20,841	19,393	22,217	21,788
14,371	13,344	15,993	15,679	17,493	15,934	18,768	20,118
19,478	14,636	28,222	25,000	38,593	38,928	42,049	42,235
35,582	35,555	46,540	48,481	54,642	62,553	58,723	67,341
21,213	22,806	30,505	30,057	35,742	35,928	40,081	44,481
35,907	38,183	52,549	54,827	66,509	76,030	78,965	92,535
22,280	23,890	36,781	36,802	55,791	63,236	70,190	79,145
56.6	60.1	60.3	55.6	63.7	58.6	62.8	61.1
26.02%	30.69%	23.88%	29.54%	21.34%	26.43%	20.33%	24.13%
$ 23,619	$ 29,903	$ 23,282	$ 29,573	$ 23,236	$ 28,097	$ 23,050	$ 27,485
3.10%	11.28%	3.81%	13.08%	4.23%	11.41%	6.10%	11.59%
$ 1,919	$ 6,664	$ 2,765	$ 9,764	$ 3,368	$ 8,956	$ 5,501	$ 10,590

RETURN ON INVESTMENT - PER $100 OF SALES

	ALL FIRMS REPORTING		SALES TO $250,000		SALES FROM $250,000-$500,000	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
INVESTMENT						
Current Assets:						
Cash	$ 3.48	$ 6.17	$ 5.10	$15.76	$ 2.87	$ 3.16
Receivables	15.66	15.63	14.05	16.90	12.67	13.74
Inventories	6.59	6.15	7.71	4.57	4.28	2.78
Marketable securities	0.93	2.36	0.00	0.00	0.30	0.32
Other current assets	1.29	1.58	0.82	0.37	1.46	2.34
	27.95	31.89	27.68	37.60	21.58	22.34
Plant Investment:						
Land and building	6.18	6.84	2.92	6.02	5.03	3.99
Machinery and equipment	32.93	31.27	40.39	31.13	34.32	26.63
Other fixed assets	3.61	3.41	8.16	11.91	3.17	4.57
	42.72	41.52	51.47	49.06	42.52	35.19
Non-Current Assets	2.23	2.61	1.80	1.40	1.43	0.72
TOTAL INVESTMENT	72.90	76.02	80.95	88.06	65.53	58.25
INVESTMENT TURNOVER PER $100 OF SALES	137.17%	131.54%	123.53%	113.56%	152.60%	171.67%
EARNINGS						
Cost of Product	$76.58	$72.21	$78.73	$71.69	$74.87	$71.61
Selling Expenses	8.20	6.92	5.95	3.88	6.54	4.84
Administrative Expenses	10.11	8.92	12.95	10.08	15.20	15.56
	94.89	88.05	97.63	85.65	96.61	92.01
Income Before Interest, Other Income, and Taxes	5.11	11.95	2.37	14.35	3.39	7.99
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	7.01%	15.72%	2.93%	16.30%	5.17%	13.72%

SALES FROM $500,000-$1,500,000		SALES FROM $1,500,000-$5,000,000		SALES FROM $5,000,000-$10,000,000		SALES OVER $10,000,000	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
$ 3.99	$ 6.76	$ 3.61	$ 6.54	$ 3.61	$ 6.43	$ 2.33	$ 4.77
15.07	16.10	15.84	14.87	16.93	15.57	16.64	16.27
5.37	4.49	6.46	6.06	7.79	7.99	8.34	7.14
0.80	1.53	0.89	2.86	1.29	2.53	1.31	3.00
1.29	1.53	1.27	2.10	1.40	1.04	1.25	1.41
26.52	30.41	28.07	32.43	31.02	33.56	29.87	32.59
4.87	5.26	5.82	6.80	7.66	7.93	8.58	8.09
32.55	31.42	32.26	29.91	33.11	29.66	32.75	34.51
4.07	3.21	4.01	3.92	2.94	3.66	2.07	1.95
41.49	39.89	42.09	40.63	43.71	41.25	43.40	44.55
1.71	1.82	2.38	2.68	2.30	2.82	2.97	3.52
69.72	72.12	72.54	75.74	77.03	77.63	76.24	80.66
143.43%	138.66%	137.85%	132.03%	129.82%	128.82%	131.16%	123.98%
$73.98	$69.31	$76.12	$70.46	$78.66	$73.57	$79.67	$75.87
8.71	7.02	8.89	7.37	8.34	7.74	7.03	6.39
12.77	11.53	9.96	9.30	7.61	7.62	6.19	5.87
95.46	87.86	94.97	87.13	94.61	88.93	92.89	88.13
4.54	12.14	5.03	12.87	5.39	11.07	7.11	11.87
6.51%	16.83%	6.93%	16.99%	7.00%	14.26%	9.33%	14.72%

ABSOLUTE DATA

	NUMBER OF PARTICIPATING FIRMS	AVERAGE FIRM REPORTING** TOTAL ASSETS	SALES OR VALUE OF PRODUCTION	TOTAL INCOME
TOTAL - ALL PRINTING FIRMS	901	$ 3,607,000	$ 6,411,000	$ 364,000
TOTAL - PROFIT LEADERS*	184	5,754,000	9,658,000	1,118,000
BY SIZE OF FIRM:				
ALL FIRMS				
0-$250,000	27	85,000	167,000	3,000
$250,000-$500,000	69	164,000	378,000	7,000
$500,000-$1,500,000	200	467,000	958,000	30,000
$1,500,000-$5,000,000	324	1,514,000	2,923,000	109,000
$5,000,000-$10,000,000	135	3,960,000	6,931,000	304,000
Over $10,000,000	146	14,504,000	25,144,000	1,677,000
PROFIT LEADERS				
0-$250,000	4	129,000	204,000	30,000
$250,000-$500,000	8	149,000	343,000	37,000
$500,000-$1,500,000	42	500,000	925,000	103,000
$1,500,000-$5,000,000	50	1,664,000	3,020,000	386,000
$5,000,000-$10,000,000	33	4,086,000	7,187,000	815,000
Over $10,000,000	47	17,402,000	28,647,000	3,295,000

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.

** Unlike the ratios shown in this book, these figures are arithmetic averages. See explanatory note on Page 3.

HOW DO YOU COMPARE IN NORTH AMERICA?

The Individual Company Computer Printout is a fundamental part of the PIA Financial Ratio Study. It is a detailed, well-organized presentation of key financial information that encompasses every facet of your printing business. It contains data specific to your company that are not available in the published volumes of the study. The Individual Company Computer Printout, designed with you, the busy printing executive in mind, is a concise presentation of:

- Your firm's operating statement;
- Your firm's balance sheet;
- Supporting schedules for your firm's income statement and balance sheet; and
- Your firm's Return on Investment.

In addition:

- Your firm's financial data are expressed in dollars and ratio form;
- The ratios of your printing firm are compared side by side with the ratios of all other ratio study participants and "profit leaders," based on both sales revenue and value added. Ratios of survey participants and "profit leaders" that produce the same products and use the same manufacturing process are also presented for your immediate comparison;
- Using the same presentation format described in the previous item, the ratios of your printing firm are also compared side by side with the ratios of all survey participants and "profit leaders" that are approximately the same size in terms of sales; and
- Finally, "significant facts" statistics are presented to help you gauge where your company stands relative to industry "profit leaders" and the U.S. and Canadian printing industries as a whole.

Because of the detail that the Individual Company Computer Printout contains, it can quickly help you identify those areas and operations of your business that are running efficiently and those that are not. You'll be able to ascertain the seriousness of problems and how much corrective action is necessary. The bottom line is that you can purchase all of these data for a small fraction of what you would have to pay if you generated a similar analysis from scratch.

If you are part of the 1984 database, and have not already done so, I urge you to make the investment. If you are not part of the database, please consider participating in the 1985 PIA Financial Ratio Study and availing yourself of this particular service.

William A. Rose, II
Director
PIA Financial Services